



Agenda Item Number: 2005-5-5F

BERNALILLO COUNTY BOARD OF COUNTY COMMISSIONERS

Meeting Date: May 10, 2005

Department: Public Works **Staff Contact:** Tim West, Deputy County Manager for PW

TITLE: Peanut Butter & Jelly Family Services Inc.

ACTION: Motion to authorize:

1. The County Manager to enter into a Lease Agreement with Peanut Butter & Jelly Family Services Inc.
2. The County Manager to enter into a Memorandum of Agreement with Peanut Butter & Jelly Family Services Inc. for construction.

SUMMARY:

In 1979 the County purchased 1101 Lopez Road SW with Community Development Block Grant funds to provide for a day care program. Peanut Butter and Jelly Family Services, Inc. (PB&J) now operates the pre-school and family center at this location. In 1993 PB&J purchased adjacent property at 1113 Lopez Road to expand the facility. The property was conveyed to the County by Warranty Deed on December 3, 2004.

In 2002 and 2004 the State Legislature appropriated funds to the County for an addition and remodel of the day care facility. A 2002 grant was held up by DFA in order to assure that the County had a lease with PB&J. The 2005 Legislature approved a bill to enable non-profits "demonstrating a consistent history of service to sick and indigent persons in the county" to lease county buildings at affordable rates.

This contract between PB&J and the County enables exchange of the value of the additional property, as well as services to indigents, in return for a five-year lease with options to renew to a total of 30 years. The lease must be approved by the State Board of Finance. Authorizing the County Manager to execute the final lease will enable remodeling and expenditure of the State appropriations to commence in a timely manner.

The MOU provides for the utilization of State grants in the amount of \$251,871 to renovate and construct an additional building on the conveyed property to the County. Design of the facility has occurred jointly between the County's CIP office and the Lessee. Schedule for construction has not yet been established.

ATTACHMENTS

1. Lease by and between Bernalillo County and PB&J Family Services, Inc.
2. Memorandum of Agreement

FISCAL IMPACT

The 2004 State appropriations for the remodeling project were accepted and budgeted by the County on May 11, 2004. The 2002 appropriation will bring the project total to \$251,871.

The lease value will involve exchange of the 1113 Lopez Road SW, valued at \$84,000, and additional services to sick and indigent County residents in return for use of the property.

<u>Name of Account</u>	<u>Account Number</u>	<u>Amount</u>
Peanut Butter and Jelly	BC07-588800-03KM	\$101,871
Family Services, Inc.	BC07-588800-03ME	60,000
	BC07-588800-03MS	50,000
	BC07058800-03MG	<u>40,000</u>
		\$251,871

STAFF ANALYSIS SUMMARY

COUNTY MANAGER

Under this agreement the value of the property at 1113 Lopez Road will be credited against rent due to the County. After that balance is exhausted rent will be paid to the County by PB&J with the cash equivalent of services provided to sick and indigent County residents not otherwise paid for by the County.

With Board authorization for this agreement it will be submitted to the State Board of Finance for approval. Once approved, an RFP for construction of the expansion will be processed. I recommend Board approval. TL 5/5/05

DEPUTY COUNTY MANAGER FOR PUBLIC WORKS

The lease amount is based upon an appraisal value of \$6 a square foot for an estimated space of 10,025 square feet beginning July 1, 2005. Amendment of \$60,150 for the first year will be credited against the \$84,000 appraised value of the property deeded to the County. Subsequent lease payments will be paid with cash equivalents in the form of services PB&J provides to residents of the County as demonstrated by quarterly written reports setting forth the services provided and value thereof. The MOU provides for use of State grants to construct a building addition of 2,435 square feet to be managed by the CIP office of the County. The architectural firm, DCSW, Inc., donated their services to design the building addition with the State grants. TW 04/26/05

DEPUTY COUNTY MANAGER FOR COMMUNITY SERVICES

Upon approval of the Lease Agreement by DFA and execution of the final lease by the County Manager and approval of the Memorandum of Agreement by the Commission, the County's CIP office will work with the project architect, DCSW, Inc., in preparing the bidding documents for the solicitation of a formal Request for Bids for the construction of the new building addition. Recommend Board approval. Julie M. Baca 05/04/05

LEGAL

Lease Agreement provides adequate protection for County and Lessee must obtain insurance with County as additional insured. Approved as to form only. Deborah S. Seligman 5/3/05

FINANCE

Budget

Approval of this item will authorize the County Manager to enter into a Lease Agreement with Peanut Butter & Jelly Family Services Inc. This agreement will authorize the County to remodel the facility with grant legislative appropriations. The funds are available and budgeted in the above listed accounts. Priscilla L. Gutierrez, Budget Analyst Sr. 4/26/05

Purchasing

Proper procedures have been followed. R. Suazo, Purchasing Administrator 4/28/05

Contracts

Contract Control Number 2005/0168 has been issued for the Lease Agreement between the County and Peanut Butter & Jelly Family Services Inc. R. Suazo, Purchasing Administrator 4/28/05

Risk Management

PB& J shall provide a certificate of insurance naming the County as an additional insured with the type of insurance referenced in paragraph 6 of the Lease. David A. Baca, Risk Management. 4/26/05